



**CALIFORNIA
ALTERNATIVE ENERGY AND
ADVANCED TRANSPORTATION
FINANCING AUTHORITY**

**2011 ANNUAL REPORT TO THE
CALIFORNIA STATE LEGISLATURE**

March 2012

About CAEATFA:

The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) provides financing for facilities needed to develop and commercialize advanced transportation technologies and alternative energy that conserve energy, reduce air pollution, and promote economic development and jobs. Over the last few years, CAEATFA has provided financial assistance through various programs, including:

- Qualified Energy Conservation Bonds (QECBs) to provide low-interest financing to promote the use of alternative energy and energy efficiency in state, local and tribal government facilities.
- SB 71 Advanced Transportation and Alternative Source Manufacturing Sales and Use Tax Exclusion Program for companies that design, manufacture, produce or assemble advanced transportation technologies or alternative source products, components or systems.
- Clean Renewable Energy Bond (CREB) Program to provide low-interest bond financing for renewable energy projects.
- Zero Emission Vehicle Program (ZEV) provides advanced transportation projects financial assistance in the form of a sales and use tax exclusion for the purchase of manufacturing equipment.
- California Ethanol Producers Incentive Program (CEPIP), on behalf of the California Energy Commission, may provide operators of existing ethanol production plants in California with temporary financial assistance during difficult economic conditions.

The CAEATFA Board consists of:

Bill Lockyer, Chair
State Treasurer

John Chiang
State Controller

Ana J. Matosantos
Director of Finance

Robert B. Weisenmiller
Chairperson of the California Energy Commission

Michael R. Peevey
President of the California Public Utilities Commission

Overview of 2011 Annual Report

In accordance with the provisions of Section 26017 of the Public Resources Code, the California Alternative Energy and Advanced Transportation Financing Authority (“Authority” or “CAEATFA”) respectfully submits its Annual Report on program activities for the calendar year ending December 31, 2011.

This Annual Report contains information on the Authority’s revenues and expenditures for fiscal year 2010-11, projections of the Authority’s need for the coming fiscal year, and CAEATFA’s outstanding bond report. The report also includes an overview of program activity on the Qualified Energy Conservation Bonds (QECBs), the SB 71 Sales and Use Tax Exclusions, and status of the sales and use tax exclusion for Tesla Motors.

Pursuant to Public Resources Code Section 26141, a subsequent report that describes CAEATFA’s activities under the Property Assessed Clean Energy Bond Reserve Program (SB 99, Pavley, 2010) and the Clean Energy Upgrade Program (ABx1 14, Skinner, 2011) will be submitted to the Legislature by March 31, 2012.

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REPORT OF AUTHORITY'S FINANCES AND OUTSTANDING BONDS

REPORT OF 2011 ACTIVITIES

This report of the Authority's finances is submitted pursuant to Public Resources Code Section 26017 for the calendar year ending December 31, 2011.

1. REVENUES AND EXPENDITURES – FY 2010-11

The Authority's total revenues for fiscal year 2010-11 were \$1,419,866 and the total expenditures were \$966,759.

TABLE 1: REVENUES AND EXPENDITURES – FY 2010-11	
Total Revenues:	\$1,419,866
Expenditures:	
Salaries and Wages	\$327,211
Staff Benefits	\$114,721
Operating Expenses and Equipment	\$524,827
<u>Total Expenditures</u>	<u>\$966,759</u>

2. PROJECTED NEEDS AND REQUIREMENTS – FY 2011-12; FY 2012-13

The Authority anticipates it has the financial needs and requirements identified in Table 2 for the 2011-12 and 2012-13 fiscal years.

TABLE 2: PROJECTED NEEDS AND REQUIREMENTS – FY 2011-12; FY 2012-13		
	FY 11-12	FY12-13
Total Salaries and Wages	\$466,000	\$491,000
Staff Benefits	\$163,000	\$174,000
Total Operating Expenses and Equipment	\$1,316,000	\$1,173,000
Reimbursements	\$253,000	\$253,000
<u>Total Projected Needs and Requirements</u>	<u>\$2,198,000</u>	<u>\$2,091,000</u>

3. OUTSTANDING BONDS

The Authority has four (4) outstanding bond issues, amounting to a combined total of \$75,254,319 in bond debt.

TABLE 3: OUTSTANDING BONDS					
Closing Date	Bond Short Name	Bond Type	Final Maturity	Amount of Issue	Outstanding Debt
10/01/1993	Arroyo Energy Project Series 1993A and B	CFRB ¹	10/01/2020	\$55,000,000	\$50,660,000
10/31/1995	SRI International Project Series 1985 Reissue	CFRB	12/01/2020	\$4,475,000	\$1,575,000
06/10/2009	Caltrans Projects Series 2009	CREB ²	12/15/2023	\$20,000,000	\$16,000,000
11/18/2010	Fallbrook Public Utility District Solar Project Series	QECCB ³	11/18/2027	\$7,227,000	\$7,019,319
	<u>TOTAL</u>			<u>\$86,702,000</u>	<u>\$75,254,319</u>

¹ Cogeneration Facility Revenue Bonds

² Clean Renewable Energy Bond

³ Qualified Energy Conservation Bond

QUALIFIED ENERGY CONSERVATION BOND FINANCING PROGRAM

PROGRAM SUMMARY

The Qualified Energy Conservation Bond (“QECCB”) Financing Program (the “Program”) provides low-interest financing to promote the use of alternative energy and energy efficiency in state, local and tribal government facilities to reduce greenhouse gas emissions. This is a “tax-credit bond” designed to provide the bond purchaser with a 70 percent interest subsidy in federal tax credits by the United States government. Issuers repay principal on a regular schedule, but generally do not pay interest. Instead, the bond purchaser, or holder, of a QECCB receives a federal tax credit in lieu of interest that may be applied against the bond purchaser’s regular and alternative minimum tax liability. This subsidy provides a rate savings for the purchaser, which allows the public entity to receive low-interest financing upon the sale of these bonds.

The Authority may serve as a qualified applicant to the California Debt Limit Allocation Committee (CDLAC) and as a conduit issuer of the QECCB bonds. However, the Authority is not responsible for payment and only acts as a conduit between the borrower and bond purchaser.

QUALIFIED ENERGY CONSERVATION BOND PROGRAM

REPORT OF 2011 ACTIVITIES

This report of activities for the Qualified Energy Conservation Bond Financing Program is submitted pursuant to Public Resources Code Section 26017 for the calendar year ending December 31, 2011.

1. APPLICATIONS RECEIVED

Authority staff received one (1) new application for a total dollar amount of \$23,193,000.

TABLE 4: BOND APPLICATIONS RECEIVED IN 2011				
Application No.	Date Received	Applicant Name	Project Type	Amount
11-001	04/18/2011	Redwood Renewables	Solar	\$23,193,000
			<u>TOTAL</u>	<u>\$23,193,000</u>

2A. INITIAL RESOLUTIONS ADOPTED

The Authority did not take initial action on the application received in 2011. The project/application was not eligible for consideration by CAEATFA due to statutory constraints.

2B. FINAL RESOLUTIONS ADOPTED

None.

3. BONDS SOLD

None.

4. BONDS AUTHORIZED BUT UNSOLD

None.

SENATE BILL 71

ADVANCED TRANSPORTATION AND ALTERNATIVE SOURCE MANUFACTURING SALES AND USE TAX EXCLUSION

PROGRAM SUMMARY

The SB 71 Advanced Transportation and Alternative Source Manufacturing Sales and Use Tax Exclusion Program (“SB 71 Program” or “Program”) provides eligible projects financial assistance in the form of a sales and use tax exclusion on equipment and machinery (“Qualified Property”) used for the “design, manufacture, production, or assembly” of either advanced transportation technologies or alternative energy source products, components or systems, as defined. The purpose of this program is twofold: to promote the creation of California-based manufacturing jobs that will stimulate the California economy and to incentivize manufacturing of green technologies that will help reduce greenhouse gases, as well as reductions in air and water pollution or energy consumption.

The SB 71 Program was signed into law by Governor Arnold Schwarzenegger on March 24, 2010. The Authority began accepting applications in October 2010 and the first round of applicants were approved by the Board at its November 2010 meeting.

Under the SB 71 statute, all applications are evaluated to determine the extent to which the anticipated benefits to the State from the project exceed the projected cost in the avoided sales and use tax. Specifically, through the net benefits test established in the program’s regulations, applicants are evaluated based on criteria designed to measure and quantify the fiscal and environmental benefits of their projects.

Once approved, the program requires that an applicant purchase at least 25 percent of its approved qualified property within one year, and the remainder within three years of application approval.

Since inception of the program to December 31, 2011, CAEATFA has approved a total of 39 applications of which 30 are still active and 9 are not moving forward. The 30 active applications have been approved for \$937.7 million in anticipated qualified property purchases, estimated to result in approximately \$80.3 million in sales and use tax exclusions. These projects are located across 12 counties and are anticipated to produce an estimated \$37.2 million in environmental benefits and \$108.4 million in fiscal benefits resulting in approximately \$65.2 million in net benefits.

In addition to the information provided in this report, the Legislative Analyst’s Office will submit a final report to the Joint Legislative Budget Committee on the effectiveness of this program on or before January 1, 2019, pursuant to Public Resources Code Section 26011.8(g).

SB 71 SALES AND USE TAX EXCLUSION PROGRAM

REPORT OF 2011 ACTIVITIES

This report on SB 71 Program activities is for the calendar year ending December 31, 2011. A summary of the projects approved since inception of the Program can be found in Table 9 on page 13.

1. APPLICATIONS RECEIVED

The Authority received 15 new applications for a combined value of approximately \$750.5 million in anticipated qualified property purchases, estimated to result in nearly \$64.4 million in sales and use tax exclusions (STE) at the time of application submittal.⁴ (See Table 5 for a full list of Applications Received).

TABLE 5: SB71 APPLICATIONS RECEIVED IN 2011

	Date Received	Applicant Name	Project Location	Use of Proceeds	Qualified Property Amount	Estimated STE Amount at time of Application	Status
1	1/24/2011	Recology	Oakland (Alameda County)	Biomass Processing and Fuel Production	\$ 4,969,991	\$452,269	Approved
2	1/24/2011	Mt. Poso Cogeneration Company, LLC	Bakersfield (Kern County)	Biomass Processing and Fuel Production	\$ 14,374,000	\$1,308,034	Approved
3	2/25/2011	Amonix, Inc.	Seal Beach (Orange County) Milpitas (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 2,278,900	\$207,380	Approved - later withdrew and reapplied due to substantial project changes
4	3/16/2011	Primus Power Corporation	Hayward (Alameda County)	Energy Storage System Manufacturing	\$ 1,363,252	\$124,056	<i>Currently Under Review</i>
5	5/1/2011	DTE Stockton, LLC	Stockton (San Joaquin County)	Biomass Processing and Fuel Production	\$ 10,120,000	\$920,920	Approved
6	5/27/2011	SCS Energy	Fresno (Fresno County)	Biomass Capture and Production	\$ 3,155,300	\$287,132	Approved
7	5/27/2011	Soraa, Inc.	Fremont (Alameda County)	Energy Efficient LED Lighting Manufacturing	\$ 100,116,652	\$9,110,615	Approved
8	6/24/2011	CE Obsidian Energy, LLC	Imperial (Imperial County)	Geothermal Brine Extraction	\$ 208,480,001	\$18,971,680	Approved
9	6/24/2011	Next Energy Technologies, Inc.	Santa Barbara (Santa Barbara County)	Solar Photovoltaic Manufacturing	\$ 5,127,000	\$466,557	Ineligible
10	6/24/2011	SoloPower Inc	San Jose (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 8,411,240	\$765,423	Approved
11	7/1/2011	Amonix, Inc.	Seal Beach (Orange County) Milpitas (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 7,879,967	\$638,277	Approved
12	7/13/2011	Tesla Motors, Inc.	Palo Alto (Santa Clara County) Hawthorne (Los Angeles County) Fremont (Alameda County) Menlo Park (San Mateo County)	Electric Vehicle Manufacturing	\$ 316,000,000	\$25,596,000	Approved
13	7/25/2011	PV Evolution Labs	Berkley (Alameda County)	Test Equipment for Solar Panels	\$ 1,040,000	\$84,240	Ineligible
14	7/29/2011	Solexel, Inc.	Santa Clara (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 50,000,000	\$4,050,000	Withdrew
15	7/29/2011	Zero Waste Energy Development Company LLC	San Jose (Santa Clara County)	Biogas Capture and Production	\$ 17,156,875	\$1,389,707	Approved
				<u>TOTAL</u>	<u>\$750,473,178</u>	<u>\$64,372,291</u>	

⁴ The STE is calculated using the statewide sales and use tax average, which was 9.1% until July 1, 2011 when it was decreased to 8.1%

2. APPLICATIONS APPROVED

The Authority approved 12 applications for a total dollar amount of \$564,040,625 in qualified property purchases, with an anticipated total dollar amount of \$46,297,125 of sales and use tax exclusions over the next three years.⁵ (See Tables 6, 7 and 9)

Projects Span a Range of Industries Covered by SB 71

The 12 applicants approved in 2011 for a sales and use tax exclusion encompass several industries, including biogas, landfill gas, solar photovoltaic, lithium battery, electric vehicle, and fuel cell manufacturing and production.

TABLE 6: SB 71 APPROVED PROJECTS BY INDUSTRY IN 2011	
Type of Project	Frequency
Biogas Capture and Production	2
Biomass Processing & Fuel Production	3
Electric Vehicle Manufacturing	1
Geothermal Brine Extraction	1
Hydrogen Fuel Production	1
Lithium Batteries Manufacturing	1
Solar Photovoltaic Manufacturing	3
<u>TOTAL</u>	<u>12</u>

3. PROJECT LOCATIONS AND ANTICIPATED BENEFITS

The 2011 approved projects are located in nine counties throughout California. It is expected that these projects will provide significant economic benefits to the state and local jurisdictions in the form of corporate taxes, personal income taxes, sales and property tax revenues, increased employment, and additional economic activity created by the manufacturing facilities and purchases from related suppliers.

Based on the net benefits methodology embodied in the Program regulations and on representation from these applicants, the Authority estimates the 12 applicants approved in 2011 will produce estimated combined environmental benefits valued at approximately \$18.2 million and fiscal benefits valued at approximately \$63.5 million. Together, these environmental and fiscal benefits will result in approximately \$35.5 million in total estimated net benefits. See Table 7 for a breakdown of the various project benefits by county.

⁵ CAEATFA technically approved 13 applications in 2011. Amonix submitted an initial application that was approved by CAEATFA for \$2,278,900 in qualified property purchases. Amonix subsequently withdrew the application and submitted a second application shortly after for a greater amount of qualified property. Included in this report is information related to the subsequent application for \$7,879,667.

TABLE 7: SB 71 APPROVED PROJECTS BY COUNTY IN 2011

County ⁶	Number	Percentage of Total 2011 Projects (%)	Amount of Anticipated Qualified Property Purchases	Projected STE Amount ⁷	Estimated Environmental Benefit Value	Estimated Fiscal Benefit Value	Estimated Net Benefit Value	Total Jobs	Total Jobs Attributed to SB 71
Alameda ⁸	4	33.3%	\$302,397,565	\$24,598,178	\$2,535,319	36,749,389	\$14,686,529	1,315	116
Fresno	1	8.3%	3,155,300	255,579	40,230	271,233	55,884	9	1
Imperial	1	8.3%	174,453,978	14,130,772	7,487,143	11,697,269	5,053,640	381	39
Kern	1	8.3%	14,374,000	1,308,034	197,027	3,470,273	2,359,266	97	11
San Joaquin	1	8.3%	10,120,000	920,920	2,221,793	4,297,636	5,598,509	62	7
Santa Clara ⁹	4	33.3%	59,539,782	5,083,642	5,761,259	7,056,993	7,734,610	470	33
<u>TOTAL</u>	<u>12</u>	<u>100%</u>	<u>\$564,040,625</u>	<u>\$46,297,125</u>	<u>\$18,242,771</u>	<u>\$63,542,793</u>	<u>\$35,488,438</u>	<u>2,334</u>	<u>207</u>

Evaluation Methodology

CAEATFA Staff evaluates the fiscal and environmental results that stem directly from the sales and use tax exclusion. Only the marginal additional production (and resulting fiscal and environmental benefits) associated with the sales and use tax exclusion are included for purposes of evaluating applications. The marginal additional production directly from the sales and use tax exclusion is determined based on an estimated increase in equipment purchases resulting from the sales and use tax exclusion. That is, because the sales and use tax exclusion in effect lower the cost of purchasing capital equipment, applicants are assumed to purchase more such equipment than would be the case in the absence of the sales and use tax exclusion.

The net present value of the total *fiscal benefits* over the lifetime of the qualified property is derived from the applicant’s projected sale taxes, personal income taxes paid by the applicant’s employees, corporation taxes on profits, property taxes and other indirect fiscal benefits of the applicant.

The *environmental benefits* include estimates of the dollar value of greenhouse gas reductions and reduction on dependence of fossil fuels. The environmental benefits are also derived from the capacity of manufactured products to generate electricity from alternative sources, thereby reducing the need for traditionally generated electricity.

⁶ Several SB 71 Applicants have multiple project sites under their Application. For purposes of this table, the data was combined under one county.

⁷ The estimated STE amount is based on the statewide sales and use tax average of 9.1 percent, until July 1, 2011 when the state tax average changed to 8.1 percent.

⁸ The Tesla project is located in Alameda, Santa Clara, Los Angeles and San Mateo; its benefits are combined in Alameda County for the purposes of this table.

⁹ The Amonix project is located in Orange and Santa Clara Counties; its benefits are combined in Santa Clara County for the purposes of this table.

4. QUALIFIED PROPERTY CONVEYED AND RECONVEYED

The conveyance/reconveyance of Qualified Property is a legal transaction that takes place between the Applicant and CAEATFA that provides the formal structure under which an Applicant may use the sales and use tax exclusion.

Since inception of the program up to December 31, 2011, CAEATFA has approved a total of 39 applications of which 30 are still active. The 30 active applications have been approved for \$937.7 million in anticipated qualified property purchases. In 2011, 19 of these projects purchased approximately \$250.4 million in qualified property, resulting in approximately \$21.7 million in sales and use tax exclusions (See Tables 8 and 9).

TABLE 8: SB 71 SALES AND USE TAX EXCLUSION TRANSACTIONS BY APPLICANT IN 2011

	Approved Applicant	Total Amount of Qualified Property Approved	2011 Qualified Property Conveyed	2011 Estimated STE ¹⁰	Cumulative Total of Qualified Property Conveyed	Cumulative Total of Estimated STE
1	Alameda Contra Costa Transit District	\$5,387,950	\$4,473,087	\$362,320	\$4,473,087	\$362,320
2	Alta Devices	40,845,000	5,509,611	448,156	5,509,611	448,156
3	Ameresco, Butte County	1,085,554	539,782	43,722	539,782	43,722
4	Ameresco, Johnson Canyon	766,293	418,500	33,899	418,500	33,899
5	ABEC Bidart, Stockdale	1,131,584	960,828	77,827	960,828	77,827
6	BioFuels	6,236,204	2,085,819	168,951	2,085,819	168,951
7	Bloom Energy	37,447,693	9,453,593	807,489	9,453,593	807,489
8	California Institute of Technology	13,400,000	1,880,583	164,001	1,880,583	164,001
9	First Solar	37,700,000	37,692,991	3,409,567	37,692,991	3,409,567
10	Leyden Energy	1,306,525	121,519	9,843	121,519	9,843
11	MiaSolé	26,092,000	9,655,494	782,095	9,655,494	782,095
12	Mt. Poso Cogeneration Company	14,374,000	14,374,000	1,164,294	14,374,000	1,164,294
13	Nanosolar	140,187,900	48,495,043	3,928,099	48,495,043	3,928,099
14	NuvoSun	20,000,000	8,603,204	756,150	8,603,204	756,150
15	Simbol, Inc.	42,484,174	1,357,732	117,211	1,357,732	117,211
16	Solaria	7,800,000	2,534,135	218,745	2,534,135	218,745
17	SoloPower	8,411,240	1,487,736	120,507	1,487,736	120,507
18	Solyndra	381,776,000	92,965,301	8,351,977	277,309,757	25,127,322
19	SunPower	8,000,000	7,745,227	704,816	7,745,227	704,816
	<u>TOTAL</u>	<u>\$794,432,117</u>	<u>\$250,354,185</u>	<u>\$21,669,669</u>	<u>\$434,698,641</u>	<u>\$38,445,014</u>

¹⁰ The estimated sales and tax exclusion (STE) amount is based on the average statewide sales tax average of 9.1 percent, until July 1, 2011 when the average state wide sales tax average decreased to 8.1 percent.

TABLE 9: SB71 APPLICATIONS APPROVED SINCE PROGRAM INCEPTION TO DECEMBER 31, 2011

Application Number	Date of Board Consideration	Applicant Name	Location	Use of Proceeds	QP Amount	STE Amount (Anticipated) ¹	STE Used to Date ¹	Estimated Environmental Benefit ²	Estimated Fiscal Benefit ²	Estimated Net Benefit ²	Expected Total Jobs	Expected Total Jobs from SB 71 ²	
APPLICATIONS PREVIOUSLY APPROVED ACTIVE													
1	10-SM001	11/17/2010	Bowerman Power LFG, LLC	Irvine (Orange County)	Landfill Gas Capture & Production	\$ 9,240,000	\$ 840,840	\$ -	\$ 398,492	\$ 1,008,052	\$ 565,704	30	3
2	10-SM002	11/17/2010	ABEC Bidart Stockdale, LLC	Bakersfield (Kern County)	Biogas Capture & Production	\$ 1,131,584	\$ 102,974	\$ 77,827	\$ 228,808	\$ 73,809	\$ 199,643	26	3
3	10-SM004	11/17/2010	First Solar, Inc.	Santa Clara (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 37,700,000	\$ 3,430,700	\$ 3,409,567	\$ 1,668,971	\$ 1,971,559	\$ 209,831	174	17
4	10-SM007	11/17/2010	The Solaria Corporation	Fremont (Alameda County)	Solar Photovoltaic Manufacturing	\$ 7,800,000	\$ 709,800	\$ 218,745	\$ 834,403	\$ 1,564,665	\$ 1,689,268	180	17
5	10-SM009	11/17/2010	Nanosolar Inc.	San Jose (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 140,187,900	\$ 12,757,099	\$ 3,928,099	\$ 10,527,415	\$ 6,992,728	\$ 4,763,045	410	36
6	10-SM013	11/17/2010	NuvoSun Incorporated	Milpitas (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 20,000,000	\$ 1,820,000	\$ 756,150	\$ 2,137,232	\$ 2,594,509	\$ 2,911,741	160	18
7	10-SM015	11/17/2010	Bloom Energy Corporation	Sunnyvale (Santa Clara County)	Solid Oxide Fuel Cell Systems Manufacturing	\$ 37,447,693	\$ 3,407,740	\$ 807,488	\$ 562,054	\$ 11,144,189	\$ 8,298,503	1,004	83
8	10-SM020	12/15/2010	Ameresco Butte County LLC	Paradise (Butte County)	Landfill Gas Capture and Production	\$ 1,085,554	\$ 98,785	\$ 43,722	\$ 71,701	\$ 185,955	\$ 158,870	12	1
9	10-SM021	12/15/2010	Ameresco Crazy Horse LLC	Salinas (Monterey County)	Landfill Gas Capture and Production	\$ 1,558,460	\$ 141,820	\$ -	\$ 103,093	\$ 432,228	\$ 393,501	12	1
10	10-SM022	12/15/2010	Ameresco Forward LLC	Manteca (San Joaquin County)	Landfill Gas Capture and Production	\$ 2,227,596	\$ 202,711	\$ -	\$ 37,823	\$ 277,169	\$ 112,281	11	1
11	10-SM023	12/15/2010	Ameresco Johnson Canyon LLC	Gonzales (Monterey County)	Landfill Gas Capture and Production	\$ 766,293	\$ 69,733	\$ 33,899	\$ 33,124	\$ 168,912	\$ 132,303	12	1
12	10-SM024	12/15/2010	Ameresco San Joaquin LLC	Linden (San Joaquin County)	Landfill Gas Capture and Production	\$ 1,723,486	\$ 156,837	\$ -	\$ 99,894	\$ 419,234	\$ 362,292	12	1
13	10-SM025	12/15/2010	Ameresco Vasco Road LLC	Livermore (Alameda County)	Landfill Gas Capture and Production	\$ 1,828,204	\$ 166,367	\$ -	\$ 66,258	\$ 333,415	\$ 233,306	11	1
14	10-SM026	12/15/2010	BioFuels Point Loma, LLC	San Diego (San Diego County)	Wastewater Treatment Biogas Capture and Production	\$ 6,236,024	\$ 567,478	\$ 168,951	\$ 120,126	\$ 509,292	\$ 61,939	25	3
15	10-SM027	12/15/2010	Alta Devices, Inc.	Sunnyvale (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 40,845,000	\$ 3,716,895	\$ 448,156	\$ 561,404	\$ 5,025,666	\$ 1,870,175	322	37

(continued on next page)

TABLE 9 (continued): SB71 APPLICATIONS APPROVED SINCE PROGRAM INCEPTION TO DECEMBER 31, 2011

Application Number	Date of Board Consideration	Applicant Name	Location	Use of Proceeds	QP Amount	STE Amount (Anticipated) ¹	STE Used to Date ¹	Estimated Environmental Benefit ²	Estimated Fiscal Benefit ²	Estimated Net Benefit ²	Expected Total Jobs	Expected Total Jobs from SB 71 ²	
16	10-SM028	12/15/2010	California Institute of Technology	Pasadena (Los Angeles County)	Research & Development of Solar Fuel Generator Systems	\$ 13,400,000	\$ 1,219,400	\$ 164,001	\$ -	\$ 702,662	\$ (516,738)	133	15
17	10-SM012	12/15/2010	SunPower Corporation	Milpitas (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 8,000,000	\$ 728,000	\$ 704,816	\$ 903,595	\$ 1,877,730	\$ 2,053,325	94	11
18	10-SM010	12/15/2010 2/22/2011	Simbol, Inc.	Calipatria, Niland, Brawley (Imperial County)	Lithium and Battery Material Manufacturing	\$ 42,484,174	\$ 3,866,060	\$ 117,212	\$ 558,363	\$ 9,552,414	\$ 6,244,717	212	23
19	11-SM001	1/25/2011	Leyden Energy, Inc.	Fremont (Alameda County)	Lithium Ion Battery Manufacturing	\$ 1,306,525	\$ 118,894	\$ 9,843	\$ 21,400	\$ 944,754	\$ 847,260	26	2
20	11-SM002	1/25/2011	MiaSolé	Sunnyvale (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 26,092,000	\$ 2,374,372	\$ 782,095	\$ 3,246,664	\$ 1,363,913	\$ 2,236,206	56	3
21	11-SM003	1/25/2011	Alameda-Contra Costa Transit District	Emeryville (Alameda County)	Demonstration Hydrogen Fuel Production	\$ 5,387,950	\$ 490,303	\$ 362,320	\$ 16,040	\$ 274,173	\$ (200,090)	6	1
22	11-SM006	3/22/2011	Mt. Poso Cogeneration Company, LLC	Bakersfield (Kern County)	Biomass Processing and Fuel Production	\$ 14,374,000	\$ 1,308,034	\$ 1,164,294	\$ 197,027	\$ 3,470,273	\$ 2,359,266	97	11
23	11-SM005	6/28/2011	Recology East Bay	Oakland (Alameda County)	Biomass Processing and Fuel Production	\$ 3,703,090	\$ 336,981	\$ -	\$ 111,243	\$ 506,852	\$ 281,113	46	5
24	11-SM009	6/28/2011	DTE Stockton, LLC	Stockton (San Joaquin County)	Biomass Processing and Fuel Production	\$ 10,120,000	\$ 920,920	\$ -	\$ 2,221,793	\$ 4,297,636	\$ 5,598,509	62	7
25	11-SM010	7/26/2011	SCS Energy	Fresno (Fresno County)	Biogas Capture & Production	\$ 3,155,300	\$ 255,579	\$ -	\$ 40,230	\$ 271,233	\$ 55,884	9	1
26	11-SM012	8/23/2011	CE Obsidian Energy, LLC	Imperial (Imperial County)	Geothermal Brine Extraction	\$ 174,453,978	\$ 14,130,772	\$ -	\$ 7,487,143	\$ 11,697,269	\$ 5,053,640	381	39
27	11-SM014	8/23/2011	SoloPower Inc.	San Jose (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 8,411,240	\$ 681,310	\$ 120,507	\$ 419,024	\$ 575,484	\$ 313,197	40	1
28	11-SM015	8/23/2011	Amonix, Inc	Seal Beach (Orange County) & Milpitas (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 7,879,667	\$ 638,253	\$ -	\$ 740,148	\$ 2,884,021	\$ 2,985,916	200	12
29	11-SM019	11/15/2011	Zero Waste Energy Development Company, LLC	San Jose (Santa Clara County)	Biogas Capture & Production	\$ 17,156,875	\$ 1,389,707	\$ -	\$ 1,355,423	\$ 2,233,575	\$ 2,199,291	174	17

(continued on next page)

TABLE 9 (continued): SB71 APPLICATIONS APPROVED SINCE PROGRAM INCEPTION TO DECEMBER 31, 2011

Application Number	Date of Board Consideration	Applicant Name	Location	Use of Proceeds	QP Amount	STE Amount (Anticipated) ¹	STE Used to Date ¹	Estimated Environmental Benefit ²	Estimated Fiscal Benefit ²	Estimated Net Benefit ²	Expected Total Jobs	Expected Total Jobs from SB 71 ²	
30	11-SM016	12/13/2011	Tesla Motors, Inc.	Fremont (Alameda County); Hawthorne (Los Angeles County); Palo Alto (Santa Clara County); Menlo Park (San Mateo County)	Electric Vehicle Manufacturing	\$ 292,000,000	\$ 23,652,000		\$ 2,386,636	\$ 35,023,610	\$ 13,758,246	1,237	108
SUBTOTAL:					\$ 937,702,593	\$ 80,300,364	\$ 13,317,691	\$ 37,155,527	\$ 108,376,981	\$ 65,232,144	5,174	479	

APPLICATIONS PREVIOUSLY APPROVED INACTIVE

1	10-SM003	11/17/2010	ABEC Bidart Old River, LLC	Bakersfield, (Kern County)	Biogas Capture & Production	\$ 4,738,000	\$ 431,158	\$ -	\$ 3,080,806	\$ 438,844	\$ 3,088,491	50	6
2	10-SM005	11/17/2010	Gallo Cattle Company	Atwater (Merced Atwater)	Biogas Capture & Production	\$ 1,245,000	\$ 113,295	\$ -	\$ 791,959	\$ 130,374	\$ 809,038	30	3
3	10-SM006	11/17/2010	Solyndra LLC	Fremont (Alameda County)	Solar Photovoltaic Manufacturing	\$ 381,776,000	\$ 34,741,616	\$ 25,127,322	\$ 22,202,363	\$ 20,765,274	\$ 8,226,021	2,084	225
4	10-SM011	11/17/2010	Stion Corporation	San Jose (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 105,473,402	\$ 9,598,080	\$ -	\$ 3,512,324	\$ 6,207,404	\$ 121,648	493	47
5	10-SM014	11/17/2010	Calisolar Inc.	Sunnyvale (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 39,000,000	\$ 3,549,000	\$ -	\$ 1,971,609	\$ 1,975,797	\$ 398,407	273	13
6	10-SM016	12/15/2010	Quantum Fuel Systems Technologies Worldwide, Inc.	Irvine (Orange County)	Solar Photovoltaic Manufacturing	\$ 8,945,858	\$ 814,073	\$ -	\$ 508,282	\$ 5,895,571	\$ 5,589,780	94	11
7	10-SM018	12/15/2010	Green Vehicles, Inc.	Salinas (Monterey County)	Electric Vehicle Manufacturing	\$ 3,708,050	\$ 337,433	\$ -	\$ 65,608	\$ 3,018,494	\$ 2,746,669	126	14
8	10-SM019	12/15/2010	Soliant Energy, Inc.	Monrovia (Los Angeles County)	Solar Photovoltaic Manufacturing	\$ 9,966,500	\$ 906,952	\$ -	\$ 1,142,989	\$ 1,709,894	\$ 1,945,932	38	5
9	11-SM007	5/18/2011	Amonix, Inc.	Seal Beach (Orange County)	Solar Photovoltaic Manufacturing	\$ 2,278,900	\$ 207,380	\$ -	\$ 244,895	\$ 557,789	\$ 595,304	153	2
TOTAL OF INACTIVE APPROVED APPLICATIONS					\$ 557,131,710	\$ 50,698,987	\$ 25,127,322	\$ 33,520,835	\$ 40,699,441	\$ 23,521,290	3,341	326	

Total STE Used to Date (Active and Inactive Approved Applications): \$ 38,445,014

¹ Under the Program the value of a specific project's sales and use tax exclusion is calculated using the statewide sales and use tax average. The statewide average was estimated at 9.1% of the price of the eligible equipment for all projects approved through June 2011, and was decreased to 8.1% for projects approved after July 1, 2011.

²These benefits are estimates that are calculated under the Program's evaluation system at the time of Board approval. Applicants are required to provide annual reports to CAEATFA on actual project activity.

SALES AND USE TAX EXCLUSION FOR TESLA MOTORS

PROGRAM SUMMARY

Under existing statute, CAEATFA has the authority to provide sales and use tax exclusions (STE) for the purchase of advanced transportation manufacturing equipment.¹¹ Stakeholders expressed strong interest to encourage zero emission vehicles manufacturing in California that would provide significant greenhouse gas reductions, green jobs, economic expansion and reduce the state's dependence on foreign oil. In June 2008, the Authority directed staff to process and evaluate applications associated with zero emission vehicle manufacturing projects for purposes of a sales and use tax exclusion. In October 2009 this policy direction permitted Tesla Motors, Inc. (Tesla) to be evaluated and approved for a sales and use tax exclusion for an amount not to exceed \$320 million.

Tesla develops and manufactures both high-performance all-electric powertrain components for automotive applications and fully-electric automobiles.

As of December 31, 2011, Tesla had purchased \$77,695,255 in qualified property, with an estimated sales and use tax exclusion amount of \$6,763,796. At the end of calendar year 2011, Tesla had a purchase balance of \$242,304,745 in qualified property purchases.

TABLE 10: 2011 TESLA MOTORS, INC. SALES AND USE TAX EXCLUSION TRANSACTIONS

2011 Qualified Property Purchase	2011 Estimated STE ¹²	Total Qualified Property Conveyed	Total Estimated STE	Qualified Property Purchase Balance
\$41,146,015	\$3,437,815	\$77,695,255	\$6,763,796	\$242,304,745

¹¹ California Revenue and Taxation Code Section 6010.8.

¹² The estimated STE amount is based on the statewide sales tax average of 9.1 percent until July 1, 2011 when the state tax average changed to 8.1 percent.